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V.—GOVERNMENT BUSINESS.

DISCUSSION ON THE SUPPLEMENTARY STATEMENT OF EXPENDITURE FOR THE YEAR 1954-55.

* DR. V. K. JOHN :—“ Sir, I may be permitted to make one or two observations on the Supplementary Budget. This Supplementary Budget is brought before this House apparently under Article 205 of the Constitution of India. Article 205 provides that a Supplementary Budget can be brought forward for three reasons. One is that the amount authorized in accordance with the original budget to be expended on a particular service for the current year is found to be insufficient.”

(At this stage the Deputy Chairman occupied the Chair.)

“ The second reason is that a need should have arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year. The third reason is that money should have been spent on any service during a financial year in excess of the amount granted for that service and for that year. Now the Constitution contemplates three reasons for bringing forward a supplementary budget. In fact a supplementary budget ought to be brought forward when the Government find that there is necessity to spend some more money in the course of the year—that is, sums not provided for in the budget. Sir, it has become a practice with this Government to bring forward a supplementary budget at the end of the year after spending the money which was not granted in the original budget. In my opinion a supplementary budget should be brought forward whenever the Government find the need for additional expenditure but not after incurring the expenditure. Of course there are occasions in which it is not possible to bring in a supplementary budget before incurring the expenditure. But to bring in a supplementary budget after incurring the expenditure is not in consonance with the underlying principles of Article 205 of the Constitution of India. If the amount already sanctioned is found to be insufficient, the Government must bring in a supplementary budget to cover the excess amount. When the Government have to spend money on a new item of service, they must bring in a supplementary budget so that the House may give its permission to incur that expenditure. But if the Government should bring in a supplementary budget at the end of the year, it becomes embarrassing for the Legislature not to grant that expenditure. Therefore, I submit that the Hon. the Finance Minister should consider the question whether it will not be in order to bring in supplementary budgets as and when required instead of bringing in a supplementary budget at the end of the year after incurring the expenditure.

“ Now, Sir, if we look into the expenditure involved (page 3 of the Supplementary Budget) we will see that gross demand is for Rs. 17,33,84,900. The net effect of excess and short recoveries

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under each demand comes to Rs. 12,68,08,900. The net demand is, therefore, for Rs. 4,65,76,000. This margin of error amounting to Rs. 4 crores odd is really very large. We are after all passing a budget for about Rs. 46 crores. If Rs. 4 crores (about 1/10th of the budget) should be the margin . . . (Interruption by the Hon. Sri C. Subramaniam.) I am corrected. Part of the Rs. 4 crores is to cover capital expenditure. Still I say that Rs. 4 crores is very large margin of mistake which would not have been committed if the budget had been properly framed and if we had a correct idea of the expenditure to be met in the current year. Otherwise there is no purpose in having a budget at all. The Government must have clear ideas of the expenditure involved and they should provide for that expenditure in the budget. Now we are proposing taxation measures for getting a sum of Rs. 1½ crores. But the margin of mistake that we now see is Rs. 4 crores. This, I submit, is a matter which the Hon. the Finance Minister should look into.

“ I find, Sir, that the Gross Demand under ‘ Capital Outlay on Schemes of State Trading ’ is about Rs. 10½ crores. It is not all expenditure, of course. This expenditure of Rs. 10½ crores was not anticipated. I would like the Hon. the Finance Minister . . . (Interruption.) But then this was not anticipated. Certain amounts were granted for State trading. But the amount not anticipated is Rs. 10 crores odd. Or the recoveries anticipated are much more than the amount originally anticipated. I would like the Government to reconsider their ideas on State trading. In the first year—1945-46—the loss on State trading was Rs. 6½ crores.

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“ If I remember aright, it was 676 lakhs of rupees and that was published by the Accountant-General two or three years later. The reasons given for this huge loss were three, viz., loss in transit, loss in godown and pilferage.”

THE HON. SRI C. SUBRAMANIAM :—“ When was it? ”

* DR. V. K. JOHN :—“ It was in the year 1945-46. I gave correct figures then. It was during Mr. Prakasam's Ministry. Now, Sir, it was stated in the speech of the Union Finance Minister that the loss in State trading, particularly in rice, was 45 crores of rupees. I do not know whether it was loss directly incurred by the Government of India. I presume it is loss sustained in State trading by all the States concerned. I think it was the other day, when we were discussing the Governor's Address, it was stated that there were one lakh tons of rice and millets lying undisposed of and that this Government were negotiating with the Government of India for the taking over of the stocks by them. Now I presume that the loss on account of these stocks, whether it was incurred by the Government of India or the State Government, will run into crores. I have been told only yesterday that the stock which is kept by this Government and which is nearly two years old is now being released. This will also affect the price of paddy and rice which has already been

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affected much for want of purchasing power on the part of the public. Now, I am asking what has happened to the quality of the rice that has been kept in our godowns for the last two years. It must have become uneatable. The other day, Sir, I was asking a wholesale rice merchant what stock he had with him and he replied that he had stocks worth fifty thousand rupees. I believe he had been writing to the Government for more than a year and a half asking what he should do with this stock and all the reply that he got after sending several reminders was that the matter was under consideration. When I met him again in December, he told me that millets had all gone rotten and uneatable and that part of the rice had become uneatable. So, out of a total value of 50,000 rupees, the Government may get only 20,000 rupees. I am not making any complaint against the Government. All that I say is, when the Government take up State trading schemes, they should not deal in such perishable things as rice and millets. They cannot deal in it in the way a private individual or private agency can do it. Government officers are transferred often. Also, they get their pay every month and they do not very much care if the stocks go bad. I am quite sure that the Ministers are very anxious to see that no loss is incurred on account of such schemes. But it is now admitted by the Union Finance Minister himself that there is a loss of 45 crores of rupees, not one or two crores. And I am sure that the loss incurred in this State alone—I do not know whether the Centre or the State is going to bear the loss, for that question has not been finally settled—will run to crores. I would advise the Government not to go in for State trading at all. They can have this done by private agencies. Ask the merchants to stock rice and release it and they will do it in time. If the Government stock rice in their godowns, there will be loss in the godown and loss due to pilferage and loss in transit. These were the three reasons given for the loss of over six and half crores of rupees on account of State trading in rice. The Hon. the Minister for Finance may take this occasion to go into the question of State trading to see whether it is worthwhile for the Government to go in for State trading. I mean not only in rice. There are a number of other things like manure, etc., which the State is trading in. I would very seriously ask the Government once again to revise their ideas regarding commercial undertakings. You will find, Sir, that the Demand under this head comes to four and half crores of rupees. It covers almost everything, 33 items out of 41 items and most of these items are concerned not only with State trading but also with Government commercial undertakings.

“Sir, under the heading ‘Government Commercial Undertakings’, we have got eight items—viz., State Transport, Kerala Soap Institute, Government Oil Factory, Government Hydrogenation Factory, Government Industrial Engineering Workshops, Government Milk Factory, Government Cinchona department and the Government Silk Filature at Kollegal. I find the Government are losing some two and half crores of rupees a year. Now the

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question is whether the Government could have these commercial undertakings. The biggest undertaking is the State Transport. It is only yesterday, Sir, I read a sub-leader in a very important Daily in Madras City complaining that the State Transport in the City had not given a lead to transport operators outside the City. The Government have a monopoly here but they have not reduced the fare. They have not replaced their old vehicles, rotten vehicles, in which it is very difficult to travel. The breakdown is too many in number. All these are said in the sub-leader of a very responsible paper in the City. There are not technical experts to man the service. There has always been a complaint that in peak hours, it is very difficult to find accommodation in buses. Why should the Government take over bus transport? Private agencies, private operators and even co-operative societies can do this well. Why should there be a Minister to look after the State Transport? And then, are we really making a profit? No. If only transport is privately operated, the existing fares could be reduced to half. People are groaning under heavy fares and the Government have not been able to find it possible to reduce the fares. I do not find fault with the present Government. It is a legacy handed over to them by the previous Government. I would like the Hon. the Finance Minister to go into the question of commercial undertakings and see whether the time has not come when they should give them up. Even as regards new undertakings, I would like him to see whether they cannot be entrusted to private agencies but controlled by the Government. I would have been very much pleased if some private agency had been asked to run the City transport with reduced fares. I think it is quite possible to reduce the fares by half. After all, the Government do not pay any tax on their buses. In respect of each private bus, I am told the Government are getting some ten thousand rupees by way of tax. But the Government do not pay any tax in respect of their buses. Still, their fares are too high as compared with those obtaining in the mufassal. I do not see why the Government should run these. The paper that I referred to earlier has, therefore, very rightly said that the City Government Transport has not given any lead to transport in the mufassal.

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“ I only request the Hon. Minister for Finance to go into the matter and also other commercial undertakings and see whether they are working at a profit, and properly. Formerly the charge was that the Government wanted to have patronage and the opportunity to appoint persons and also to interfere in the decisions of other independent bodies like the Transport Authority. Last December this Government brought in a Bill repealing section 64-A of the Motor Vehicles Act which gave them power to revise the decisions of the Transport Authorities. I was very pleased over this because I thought a new chapter was being opened in the history of the Government and they did not want to have this control in their hands. But this has not yet come into force and that is

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what I am complaining about. Everybody supported that measure because Government got into disrepute by retaining that power with them. Although the measure was passed in December last and received the assent of the President in January it has not yet come into force even now. I know that it was provided in the measure that it would come into force from a date to be notified by the Government. I do not know why Government have not yet notified that it will come into force. I can only say that the Government do not want to give up that power under section 64-A for some time more. Probably they want to go into the matter and may or may not notify at all. If the Government are not really interested in retaining that power they should notify that the Act would come into force immediately. Then again in respect of State Trading they must give up all state trading schemes. There must be public accounting for all commercial undertakings. We must have a committee of this House or the other House to go into the working of these State undertakings and see whether they are making profits or not. I am not in this connection charging anybody with misappropriation but in the very nature of things, I do not think that Government can carry on State trading or other commercial undertakings to the best advantage. I would be pleased, more than pleased if the Government did not incur any loss. But I am afraid in these undertakings the Government are incurring losses and not making any profits at all or profits worth mentioning. The Government by taking over these undertakings are not adding anything to the conveniences of the public or to the finances of the State.

“After going through the General Budget and this Supplementary Budget, I am quite convinced, that the Hon. Minister for Finance should be released from all other departments and be asked to be in charge of Finance alone. I am not flattering him or complimenting him, Sir. If he is given time to look into the finances of this Government, the income and expenditure and all his time is spent on finance only and not on education and so many other departments which he has taken over or which he has been asked to take over, he can effect a great saving in the expenditure now incurred by Government. He can also break new ground and make a departure from the past. Sir, this Government have inherited from the past many things which I would like the Government to review and revise. But unfortunately one Minister is burdened with too many departments. I do not in the least suggest that he is not doing well by the other departments. But I think it is a human impossibility for a person to be in charge of so many departments including finance. Other Hon. Ministers are also burdened with too many departments. Today I am mainly concerned with finance and it is also the most important department. I think the Hon. Minister for Finance should be in charge of finance alone. He has now had some experience and with this experience he will I am confident break new ground. Therefore, I suggest and suggest seriously to the Government to see that the Finance Minister is not burdened with any other work.”

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* SRI K. BHASHYAM:—“ Sir, this Supplementary Budget which has been presented to us is certainly in accordance not only with facts but also with law. What I mean to say is this. The Supplementary Demand is really necessitated by the fact that under certain items of expenditure more money had to be paid or expended or more money is expected to be expended. If hon. Members will only look into Articles 205 and 265 of the Constitution they will find that these two articles contemplate submission of the supplementary budget at the end or near the end of the financial year and not earlier than that. If it is presented earlier, this House will be troubled with a number of supplementary demands. Every time we sit in this House there will be a supplementary demand. Therefore it is not a feasible proposition to ask the Government to present the supplementary demands earlier in the year. Moreover it is also difficult for the departments to truly estimate what will be the possible expenditure for the rest of the year if they were to submit the supplementary demand in September. At least at or near the close of the year they will be able to say with some sort of certainty as to what money will be required. But if they estimate six months prior to that it will be very difficult for them. Therefore, I think it is not only right but it is the practice followed here and elsewhere, in the Lok Sabha also to present the supplementary demands towards the close of the year. This is a good practice, a convenient practice and a reasonable practice. This is also in accordance as I said with the Statute governing presentation of supplementary budget.

“ The Hon. the Deputy Leader of the Opposition has taken objection to the Government taking up State trading. Sir, I do not agree to the proposition as a general proposition. While I agree with him in some matters that the Government should not come in competition with private merchants and private enterprise, the Government must have the power to trade in all matters where it requires large capital, where control is necessary and also where it affects the interests of the general public. Therefore, while I do not agree with the hon. the Deputy Leader of the Opposition in saying that the Government should not take up any State trading at all by themselves, I however concur with him so far as the State Transport is concerned. The Government have spent on it four to five crores of rupees. Could they not have spent it for better causes and purposes? After all what is it that they have got out of this. They are not getting much profit. If they had left it to private owners and controlled them and taxed them they would have got much more money than what they now get as profits from the City Transport. It is claimed that better conveniences are now provided than when the City transport was in the hands of private owners. If we allow free competition among private owners in the City, then there will be more amenities and conveniences provided by them to the passengers. Therefore Government should take care to see that they do not enter into fields where there is fairly good competition. The city transport

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was not so bad as to require Government to take it upon themselves. . Now since the Government have taken over the city transport every little trouble that existed there is put on the head of the Government and questions are asked on the floor of this House as to how this should be done and as to how that should be done. Complaints are made that the expenses for management are far higher than the expenses incurred by private managements. The Government have not been able to bring down the rates to be paid for transport lower than what it was before when the transport was in private hands. That is my view. I do not know what the view of the Government is on this matter. Well, they might say : ' We are doing it quite well '. Opinion is divided on this point.

" Coming to the supplementary budget for 1954-55 presented 3-50 to us, I would like to have some information in respect of some P.m. matters.

" On page 6 it is said that a further expenditure under Grant VII—' General Sales Tax and other Taxes and Duties—Administration ', of Rs. 4,57,900 is estimated under the head ' establishment '. It is said that the increased appropriation is required for the additional staff employed for detection of tax evasion in Madras Division and for the collection of arrears of sales tax. To say that a sum of Rs. 4 lakhs and odd is required for detection of tax evasions signifies two things. First it reveals that the persons in charge of this particular department have not been doing their duties properly and that they have neglected the duties which they ought to discharge. Perhaps the officers in charge have not taken the proper care which they ought to have taken. Secondly, to say that the detection of these cases should have taken such a long time really goes to show that the department is not efficient. It goes against the efficiency of the department.

" Therefore I think some explanation is necessary in respect of what I had said before. I want to know why such a big amount is required for detection of tax evasion cases.

" On page 7 under Grant VIII—Irrigation, it is said that as much as Rs. 12 lakhs and odd is required for maintenance and ordinary repairs in the Cauvery delta system. The amount is not a small one. It is Rs. 12 lakhs and odd and that too for not doing any major works but for maintenance and for doing ' ordinary repairs '. I do not know how such a huge sum of Rs. 12 lakhs for doing ordinary repairs could not have been foreseen in presenting the budget for 1954-55. If it has been due to unforeseen causes, say, floods, I could understand. Nobody could have foreseen that floods would come. But I cannot really understand any appropriation to the tune of Rs. 12 lakhs for doing ' ordinary repairs '. The Cauvery delta system has been there for such a long period and no doubt Government ought to have foreseen the repairs that they had to undertake during the course of the year. I could understand any repair work costing some small amount. But

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when the figure comes to Rs. 12 lakhs, I do think some explanation is necessary. It is said that this increased provision is due to taking up of many repair works and protective works in Cauvery and Vennar divisions to keep the system in effective condition. What I say is when the amount required is so big, as much as Rs. 12 lakhs, Government ought to have foreseen these things and provided for them in the first budget itself.

“ On page 17 under Grant XX—Co-operation, it is said that the increase in expenditure is mainly on account of additional gazetted staff sanctioned for employment in the current year in the Co-operative Department. A total sum of Rs. 1,16,700 is required under this item out of which a sum of Rs. 47,400 will be met by reappropriation from savings. The balance of Rs. 69,300 is included in the Supplementary Estimate. Therefore when as much as Rs. 69,300 is required for additional gazetted staff, then surely it must have been for some big purpose. While we are told only of the expenditure, we are not told of the purpose for which these gazetted officers have been employed and for which such a huge sum of Rs. 70,000 now remains as balance to be included in the Supplementary Estimate. I do hope the necessary explanation will be furnished by the Minister concerned. Government ought to have foreseen this. If they have not foreseen this, I think the reasons for their having not foreseen this should be given.

“ On page 8 I find the increase in expenditure on account of officers and staff and their allowances employed under the Hindu Religious and Charitable Endowments Department comes to as much as Rs. 83,000. I do not know, how when one sees the working of this department, such a huge increase in expenditure has become necessary, when practically all the ‘ Mutts ’ have been excluded from the jurisdiction of the Commissioner for Hindu Religious Endowments under the recent Act. I do hope that the necessary explanation would be offered.

“ I have made the above points so that the necessary explanation may be given and that may go a long way in avoiding in the next year such mistakes. These are points which struck me while I was perusing the supplementary statement of expenditure submitted to the House. I would like to have information on one more point.

“ The election to district boards has gone through. I want to know whether the expenditure incurred is to be recovered from the local bodies concerned or whether Government would meet the expenditure. I find that Government have in fact incurred some expenditure. I would like to know whether Government will recover from the local bodies, what they have now spent. The same holds good in regard to some expenditure under the head ‘ Police ’. While I have detailed the above points wherein I have thought that explanation was needed, I would be failing in my

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duty if I do not congratulate the Government on the very many useful schemes which they have started this year; I mean the current year. Several lakhs of rupees has been spent on B.C.G. vaccination, which is no doubt good. Even though I am not a believer in vaccination, I do think that B.C.G. vaccination is good to preserve the health of our people. Very many development schemes have been started under Demand XVII—Public Health. But the amount required for these schemes has not been mentioned. An All-India training centre for the training of the health personnel, assigned to the Community Projects, in subjects like village sanitation and health education has been opened at Poonamallee with the help of Ford Foundation. This State is participating in the National Malaria Control Programme of the Government of India. This is a good programme and under it, assistance is given by the Central Government in terms of control units, subject to the condition that the total expenditure on malaria control of the State Government receiving the aid will not be reduced below the level of expenditure in 1952-53. The establishment of Maternity and Child-Welfare Centres in 26 dispensaries in the backward areas especially, is a commendable thing. The participation of this Government in National Filaria Control Programme of the Government of India is praiseworthy. I think a start has also been made for breeding our cows with the help of foreign bulls. Under the Scheme, the semen from the foreign bulls will be injected into our cows for producing a better breed. I think that is a commendable feature. Besides these there are a number of other important schemes which this Government have sponsored. They have started a wool processing centre in South Arcot, an industrial housing scheme for labourers costing Rs. 28 lakhs and another co-operative housing scheme. These are matters on which we should congratulate Government.

“ Under the head ‘ Pensions and Gratuities ’, I find there has been an increase of Rs. 5 lakhs and odd. I do not know what is it due to? Is it a fact that *this* year, a very large number of officers had retired from service? Is this the normal expenditure? I think it is not. Particularly in respect of ‘ gratuities ’, there has been an abnormal increase. I do hope the necessary explanation will be offered. If the reasons for the increase is analysed, necessary provision may be made in future years.

“ While I congratulate the Government on the very many development schemes they have sponsored and for the welfare activities in which they are engaged, I have pointed out these points wherein I think some explanation is needed in the hope that when Government's attention is focussed on them, they would remedy the fact and make necessary provision for all those items in the next year. I would like to say one thing in conclusion.

“ The Community Projects and the National Extension Schemes are laudable features. I am one who holds the view that if an officer retires from service and if his record of service has been

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found to be good, Government should try to post these officers again in Community Project areas and National Extension areas. That does not mean, I want to shut out the opportunities of service for our young men. But our young men as they are to-day are not attracted to the rural areas. It is better that we give these retired officers, whose record of service has been a distinguished one, some sort of 'village allowance' and post them in Community Project areas and National Extension areas. I do hope that their ripe experience would go a long way in the schemes (Community Project Schemes and the National Extension Schemes) proving successful, instead of posting raw men who are new in these areas.

"Therefore while I say that there have been some good schemes which Government have sponsored, I do feel that some explanation is called for in respect of items which I have pointed out. With these words, I support the supplementary Budget which has been presented to us."

4 p.m. * SRI G. KRISHNAMOORTHY:—"Mr. Deputy Chairman, Sir, I think I can confine myself to the supplementary demand in respect of Demand XV—Education. Under item 3 there is a demand for Rs. 26,44,900. This demand is in respect of increased pay to teachers sanctioned in April 1954 and opening of new schools. If I remember correct, Mr. Deputy Chairman, Sir, it was announced that about Rs. 19 lakhs be required for this extra payment of Rs. 3 per mensem to elementary school teachers. In the explanatory note it has been stated that teachers have been given an increased pay, probably out of this Rs. 19 lakhs. It is not really an increased pay in many cases. The Government came forward, of course out of great sympathy for the teachers, to pay them an extra sum of Rs. 3 and for this purpose they raised the limit of grant in respect of the elementary school higher grade teachers from Rs. 27 to Rs. 30. In fact on the date of the Government Order, there were many schools where the teachers were paid Rs. 30. These schools, city and urban schools, were paying their teachers Rs. 30 because they were able to make some profit out of the school fees paid by the parents in respect of their children reading in those elementary schools. So, when this sum of Rs. 19 lakhs was sanctioned, I made a humble request on the floor of this House that the extra Rs. 3 of the tax-payers' money that was sanctioned by the Government to the teacher should go to the pockets of the teachers and not to the pockets of the managements at any cost. My request to the Government was that this sum of Rs. 3 should be given to the teachers over and above what they were getting on the date of the Government Order. If I remember correct, I was even given to understand that that would be the case and that no other interpretation would be possible on the order to be issued by the Government. But somehow or other, the amount of Rs. 3 has not reached many teachers. That amount of Rs. 3 goes to make up the sum of Rs. 19 lakhs for which there is a supplementary demand from the Government to-day. So, in the

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case of elementary schools where the managements had already been paying Rs. 30 to their teachers and not Rs. 27 and in some schools over and above Rs. 30, i.e., Rs. 40 or even Rs. 50 on account of the school fees that they were levying, the amount of Rs. 3 has safely gone to the pockets of the managements. In those schools the managements have been already profiting and this amount of Rs. 3 has gone to their coffers to add to their already accumulated wealth. So, I would humbly request the Government to find out how many schools were actually paying only Rs. 27 to the teachers and how many were actually paying Rs. 30 and see that this amount of Rs. 3 which goes to form this Rs. 19 lakhs reaches the teachers and not the managements. Was it not the intention of the Government that the teachers should be paid Rs. 3? If it had not been the intention of the Government, would there have been a sentence in this explanatory note saying that this demand is in respect of extra salary sanctioned for the teachers.

(At this stage Mr. Chairman occupied the Chair.)

“ So, when that has been the object of the Government, what stands in their way to enquire of these managements whether they take this Rs. 3 or really pay it to the teachers. An argument may come, ‘ Is it not punishing the managements that were already sincerely paying Rs. 30 as ordered by the Government and not paying Rs. 27 taking for themselves all the school fees? ’ It is not the case in respect of the schools paying Rs. 27. A large number of aided elementary schools have simply told the Government that they could not pay Rs. 30 because they had no finance, that they could not collect fees and that even if they collected fees, they had no money to shell out this extra sum of Rs. 3. There were some cases in the districts where the managements actually went to the extent of telling that they would be constrained to the painful necessity of closing the schools if the Government should insist on their paying this extra sum of Rs. 3 to the teachers. The Government came forward to give this relief simply because there were some managements which could not collect fees and even if they collected fees they were not in a position to pay this extra sum of Rs. 3. When that was the case, Government ought to have enquired as to how many managements were in a position to pay Rs. 30 and then passed an order that this sum of Rs. 3 which was sanctioned was intended to be paid to the teacher over and above what he is being paid already and should not be taken as a grant to the management. So, I would request the Government to remedy this affair at least now. It is not too late to enquire of the managements about the salary they were paying before the passing of this Government Order and then pass a general order that the amount of Rs. 3 sanctioned as an increase in the teaching grant for higher grade teachers in elementary schools in April 1954 should go to the pockets of the teachers, irrespective of the fact whether they were drawing Rs. 30 or even

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over Rs. 30 on the date of the passing of the order. If the Government do not do that, naturally they would be simply enriching the managements.

" In this connexion, I would request the Government to go into the question of the finances of these aided elementary schools, especially suburban and city schools. As per the present orders of the Government and as per the present procedure they do not worry themselves much if the institution is a surplus institution. The present rule is that the aided elementary school manager is to be paid the actual deficit in his account or 15 per cent of the teaching grant to the teachers, whichever is less. In City schools they collect a large amount of fees from Re. 1 to Rs. 2 or even Rs. 2-8-0. Naturally they must be surplus institutions. If they are surplus institutions, the Government need not go into the question of grant at all. They may say 'we do not want your grant because there is no deficit'. Government also will not pay. What happens in that case to the surplus? Can the management levy any amount of fees? Recently the Government have kindly come forward to say that in elementary schools the managements need not levy fees and the Government would come forward to compensate these managements for the loss of fee income. But I should like to have enlightenment from the Hon. the Minister for Education as to whether this ban on school fees in elementary aided schools is in respect of children whose parents get an income of only Rs. 1,200 or less per annum or whether the ban on school fees is in respect of all children. I would request the Government to see that no school fee is levied from any of the elementary school pupils irrespective of the status of their parents, as there is no need to compensate the managements whatsoever. If the Government want to compensate the managements of elementary schools for loss of fee income, on what basis are they going to do it? Are they going to compensate them at the rates at which the managements claim to have levied fees so far? Or, are they going to compensate them at the rates fixed by the Government for that purpose? Let it be anything. Is there any need for compensating the managements for loss of fee income? Most of the managements have been paying to the teachers only the grants paid to them by the Government and they do not pay anything extra. That being the case, is it not enough if the Government simply give a maintenance grant of 15 per cent of the actual salaries disbursed to the teachers for maintaining those schools. If the Government want to compensate the managements, they will be simply enriching the coffers of the managements. On the contrary they can raise the scales of grant to the level of the salaries actually paid to the teachers. Why should there be a difference between the Government grant and the salary to be paid by the managements? They can as well obtain figures as to the salaries actually paid to the teachers in the present day and raise the grant scales to the level of new scales to be sanctioned by the Government. The sum of Rs. 50 lakhs recently sanctioned in the next year's budget will be quite sufficient for this purpose.

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“ In the alternative, the Government can take up my scheme which has been suggested in this House many a time that all the school fees levied in elementary schools should go to the treasury and that there should be an audit for that. The Government can allow the salaries of those teachers to be drawn from the treasury as per the new scales to be sanctioned by the Government. There will be no loss to the Government whatsoever because the fee is going to be credited to the Government. So, if the Government think that the elementary aided schools are to be allowed to levy fees in respect of children whose parents get an income of over Rs. 1,200 per year, they can adopt this procedure. Eighty per cent of the school fees levied should be set apart for the cause of bettering the lot of teachers. I know instances of City schools and urban schools where a lot of profit is being made by the managements. This cannot be applicable to aided secondary schools because the Government have now come forward with audit. They say that the surplus should be earmarked and should not be spent. They have not laid down the procedure whether it should be spent this way or that way. What is their procedure with reference to surplus in aided elementary schools? The Government should see that the sum of Rs. 3 sanctioned by them in April 1954 reaches the teacher in spite of the fact that he has been getting Rs. 30 or over Rs. 30. We do not want that the money should go to the management. The management is already getting public money in the shape of school fees from the pupils. Why should this public money of Rs. 3 per mensem per teacher go to the management to give them a double benefit? Why should we enrich the managements? If at all any one should get the benefit, it is the teacher who is to get the benefit. That will be one source of satisfaction to the teacher.

“ With reference to grants to district boards for opening and expansion of single-teacher elementary schools (Rs. 14,52,800), I have already submitted in this House that this single-teacher schools, for the opening of which the Centre may be paying 75 per cent of the expenditure now, are no schools at all. It is strange that anybody can be called a teacher and put in charge of a school. How are the Government going to remedy this state of affairs? This is not the way of tackling the problem of unemployment. Will the Government go to the extent of saying to the unemployed graduates or Matriculates ‘ You are all three thousand or four thousand in number. You will be called doctors. You will be in charge of rural dispensaries. Go on dispense medicines.’ Will the Government do like that? In the case of the teacher alone, how do they say that he is a non-technical man? I say he is the most technical man, because he can make or mar the child. That is why I have always been insisting that teaching is a great technical subject, and that the highest qualified persons should be put in charge of the lowest class. Education means the building up of the cultural heritage that the child has inherited and not the stuffing in of information. A knowledge of psychology, a specialised study, is required to find out the cultural heritage of the children entrusted to the teachers handling the lowest class. That is

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why I say that B.A.L.Ts. and M.A.L.Ts. should be in charge of the lowest class. We may post a Matriculate for teaching the III Form and even IV and V Forms, because the boy has not got to get the character training. Unless the teacher finds out the cultural heritage possessed by the child, he will not be able to make any progress. If the Government really feel that the teacher should have a perfect knowledge of the psychology to study the pupils, they will not encourage these single-teacher schools. The teachers for these three thousand or four thousand schools proposed to be opened under the Five-Year Plan, may be given training for one or two years at the cost of the Government. Thereafter they may be appointed. This will also relieve the problem of unemployment to some extent. They can be employed in the lower classes. Educational development should keep pace with the progress of the Five-Year Plan.

“ Finally I would like to congratulate the Hon. the Minister for Education on his recent expression regarding the banning of pictures in the case of children. When I read his speech with regard to this, I was overwhelmed with joy, and indeed I wanted to pay my tributes to him. Really he has been trying to make education effective. If education is not to be a waste, if education is not to be nullified by posters and pictures on the walls, naturally there should be a move from the Hon. the Minister for Education. He has done this in the right way. I congratulate him on his decision. Thank you, Sir.”

SRI MOHAMED RAZA KHAN:—“ Sir, I agree with the Hon. the Minister for Finance that while the demand is for Rs. 17½ crores, the expenditure is only Rs. 4½ crores after making allowance for the Demand under State Trading Schemes. The usual practice of the Government is to ask for huge sums of expenditure whenever they presented supplementary budgets. This year fortunately we do not find many items wherein the Government have overspent and come to the legislature for sanction of that excess expenditure. Under the Demand ‘ District Administration and Miscellaneous ’, provision is made for Laccadive and Amindivi Establishments. This Demand perhaps includes the expenditure on the visit of the Governor to those islands. There is no indication from the Government as to what exactly are the steps they propose to take to help the islanders. Particularly the people of Malabar and the islanders require greater attention from the Government. I want the Government to focus their attention on helping the people there out of their appalling conditions. I bring to the pointed attention of the Minister for Finance that there is a great demand from the people of Malabar with regard to improvements in their conditions, particularly, in the matter of medical education, etc. I feel that the Government of Madras will at the earliest opportunity, take all necessary steps to see that the conditions of the people of Malabar—particularly in medical and health matters—are improved. I hope the Hon. the Finance Minister will provide them with the amenities to which they are entitled.

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“ Under the Demand, ‘ Police ’, I find many items of expenditure. In the explanatory note it is stated, ‘ The additional appropriations are required to meet the expenditure on travelling allowances, transport and feeding charges, etc., incurred in connexion with patrol duty on the Indo-French Border, visits of high personages, Congress Session at Avadi, District Board elections, etc.’. I think I asked the Minister for Finance to tell us what amount was actually incurred for making police bandobust for the Avadi Congress Session. I do concede that very good arrangements for the Congress session were made, but still the public of Madras will like to know what actual amount was spent on this police bandobust. The Demand is split up into three or four items and therefore we cannot make out the exact expenditure. I think a clarification by the Hon. Minister will enable us to know the actual expenditure incurred on police bandobust.

“ Under ‘ District Administration and Miscellaneous ’ provision is made for payment to the Commissioner of Wakfs and his staff. The Muslim Wakfs Act, 1954, has come into force from the 15th January 1955. The Government have appointed a Commissioner and an Assistant Commissioner, and they are receiving reports from the various Muslim trusts. I should like to know when the Board will be formed. I may tell the Government— whoever may be the Minister concerned that in the Board to be formed they should take care to see that people who represent the Muslim view and interests are taken. The Government may also consult the Muslim Members of both the Houses of the Legislature. I do not mean to say that they should accept all that we say, but that they may consult the legislators. It would be much better if the Hon. Minister concerned will seek the advice of the legislators and then come to a decision. (Dr. V. K. John : ‘ You and Mr. Allapichai will not agree.’) Sir, Dr. John tells me that Mr. Allapichai and I will not agree. There is nothing to disagree here.

“ There is another item of expenditure under Demand ‘ Agriculture ’. A sum of Rs. 1,60,600 has to be paid for acquiring 13 acres of land. I do not know why such an exorbitant amount is to be paid. Has the land value in that year gone up so high? Rs. 1,60,600 is to be paid for acquiring 13 acres 98 cents of lands for the Agricultural Research Station, Ambasamudram. I do not know why so much has to be paid.

“ I really welcome the Government proposal to spend a sum of Rs. 2.75 lakhs on the construction of a bridge in Gudiyattam town. This is a very good proposal. A sum of two lakhs of rupees is being spent for the construction of the bridge. I think the people of Gudiyatham should congratulate themselves on getting this bridge. Incidentally, I may mention, Sir, the fact that the Hon. the Finance Minister himself got the experience when he visited Gudiyatham last that none could proceed beyond Gudiyatham without a bridge. He himself could not proceed beyond Gudiyatham on account of heavy rains and probably he thought

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that there was dire need for a bridge there. Although the demand for a bridge has been there for a long time, the personal experience of the Finance Minister has finally given life to the demand which is now sought to be acceded to. I welcome it.

“Sir, under the Demand for Co-operation a sum of Rupees 11,65,500 is set off for payment of rebate to dealers in handloom cloth. I would just like to know whether all dealers are getting this rebate or only particular co-operative societies and shops.”

THE HON. SRI C. SUBRAMANIAM :—“All co-operative societies and a few individuals.”

SRI MOHAMED RAZA KHAN :—“I do not know why discrimination is made between dealer and dealer. After all, if it is the intention of the Government to give the rebate to all persons who buy handloom cloth—whether it is one anna or one and half annas—why should they specify particular dealers and co-operative societies as the agency for giving that rebate? This matter deserves consideration at the hands of the Government.”

THE HON. SRI M. BHAKTAVATSALAM :—“We cannot control everything.”

SRI MOHAMED RAZA KHAN :—“In that case, we need not have the scheme at all. I think the Hon. the Minister will understand the implications of the present scheme. While I appreciate the difficulty of the Government in the matter of regulating the payment of rebate, I want him to understand that the scheme is intended to provide an incentive to the people to go in for handloom cloth in preference to other kinds of cloth. Therefore, all dealers in handloom cloth should be given this facility. Otherwise, those who are not given this facility will lose their business. A rebate of one anna six pies in the rupee is not an ordinary thing. I would request the Government to reconsider the question and see whether the facility cannot be extended to all other dealers also.

“Sir, under the Demand—Industries and Cinchona—there is a provision of Rs. 11,30,000 being the sum sanctioned for the establishment of a wool-processing centre in North Arcot district. This is a welcome measure because Madras leads in the tanning trade throughout India and we do have plenty of wool for export to foreign countries. But unfortunately we are unable to compete with the foreign markets. No doubt we produce fine wool but the price that we get does not leave us much margin. Therefore, it is that I welcome this measure but I do not know on what basis the centre is to be run. Is it going to be a purely Governmental affair or are the Government going to get the support and partnership of the people in the trade in running the centre? I hope the Hon. the Minister for Industries will explain the scheme clearly.

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“ Sir, lastly, I would like to refer to the Demand under State Transport. There is provision for the construction of twenty-five bus bodies. This subject concerns my friend, the Hon. Mr. Parameswaran. I may tell him one thing. Of course, this is not the occasion, as you have already pointed out, Sir, when we can speak on general matters. We must speak only on particular items coming under the Demand. But I shall not be wrong if I say that the improvements that we expected in the working of the State Transport have not come about. It is not my object to blame the Minister or the Department. But the fact remains that even in the course of a long number of years, the State Transport has not improved in its working. This fact is amply borne out by the very many letters that appear in the Daily Press in the City of Madras. Very responsible papers have come out with their views about the Government Transport and they must be a pointer to the fact that the present condition of the Transport needs improvement. The Government cannot take shelter under the fact that they are trying their best to ease the position by buying more heavy diesel buses and by increasing the number of seats in the buses. If the Hon. the Minister explains his difficulties, we in this House can understand and appreciate them. But the actual travelling public only know what difficulties they experience. They have often to wait half and one hour to get accommodation in buses. And if after waiting for such a long time, they manage to get into the bus, they do not get sitting accommodation. They have to stand. I hope that the Hon. the Minister for Transport will take special interest and see that the difficulties experienced by the travelling public are removed. If there is a will, there is a way. The Government must see that within a reasonable period of time—say within three or four months—conditions improve. If things are left to the department to be looked into, then the department will take its own time and finally nothing will be done. The problem is acute during peak hours and I hope the Government will do their best to remove the difficulties.”

MR. CHAIRMAN :—“ Twenty more minutes, I shall allow for speeches by hon. Members. Ten minutes to five, the Hon. the Minister for Finance will begin to reply.”

* SRI T. PURUSHOTHAM :—“ Mr. Chairman, Sir, the discussion on Demands for Supplementary Grants affords an excellent opportunity to this House to assess the working and achievements of the Ministry during the financial year and we are happy to note about the progress made in the various departments of the Government during the current year under review. I am sure the House would congratulate the Ministers on the several new schemes of development sanctioned during the year. The very fact that supplementary demands are presented for a sum of seventeen and half crores of rupees shows commendable activity and earnestness on the part of the Government to provide for progressive welfare schemes. Seeing such happy features, I feel confident

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that the public will not grudge a few thousands of rupees to the State coffers by way of extra taxes about which even Members of this House expressed some doubt during the discussion on the Budget because whatever be the amount that the public may be called upon to pay by way of additional taxation, we are assured of a very good return.

“ Let me now refer to some of the items of additional expenditure referred to in the supplementary demands. Sir, my hon. Friend, Mr. G. Krishnamoorthi referred to the additional allotment required under ‘ Education ’. I find that a sum of Rupees 2,74,000 is required under Grant XV—Education—for direct grants to non-Government secondary schools. I should like to point out in this connexion that as regards the compensation payable to managements to make up the loss in come on account of grant of fee concessions to the non-gazetted officers’ children, scheduled and backward classes, etc., there seems to be no restriction imposed on the managements as to the rates of schools fees to be collected by them. Even if nearly half the number of children in each class is given the half fee concession, the Government are obliged to pay the loss incurred by the management by the grant of the concessions. If the rates are increased every year, the compensation amount will increase proportionately. This is the case in secondary schools as well as the elementary schools. Unless maximum rates of fees are fixed by Government for secondary and elementary schools at least for the purpose of the compensation payable to them on account of the fee concessions, the finances of the Government are bound to be very adversely affected, especially in view of the recent announcement made by the Government to make education free up to III form for all poor pupils irrespective of caste or creed.

4-30 P.m. “ I raised this question of standardization of the tuition fees that may be levied in aided schools some time back, and the then Education Minister, Dr. M. V. Krishna Rao, promised to examine the question. I do not know if anything has been done in that direction. I would request the present Education Minister to take up the matter in the light of the difficulties pointed out by me just now.

“ In respect of the ‘ Police ’ grant in the supplementary budget before us, we find that a sum of Rs. 96 lakhs is required for the maintenance of care-camp. The explanation given for this additional expenditure is that this sum is anticipated to be spent on replacement, tinning and repairing of worn-out vessels in the care-camp. I think this is an extravagant expenditure. I would request the Government to go into the details and see if this amount is really necessary. I am obliged to refer to this because this House has no other opportunity to refer to such questions. In fact, speaking on the Budget last year, I requested the Hon. Minister for Finance that an Estimates Committee be constituted for this House. The Hon. Minister assured us that he would give

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his consideration to this matter. I find that in the other House an Estimates Committee has already been constituted and no steps have been taken to associate any Member of this House on that Committee. With regard to the association of the Members of this House on the Public Accounts Committee also I made certain observations and the Hon. Minister for Finance told us last time that he would examine that question as well. I find that this question was also raised in the Parliament. The Hon. the Prime Minister Pandit Jawaharlal Nehru moved the following resolution in the Lok Sabha on 12th May 1953. I am reading from the official report of the proceedings of the Lok Sabha. The resolution reads as follows :— 'That this House recommends to the Council of States that they do agree to nominate 7 members from the Council to associate with the Public Accounts Committee of Lok Sabha for the year 1953-54 and to communicate to the House the names of the hon. Members'. I would request the hon. Members of this House to read the inspiring speech made by the Hon. the Prime Minister on that occasion. I wish I had time to read some extracts from that speech. He definitely pointed out that though the provision in respect of money bills in our Constitution might be similar to that in the Constitutions of other countries, our Upper Chambers were envisaged differently. There was absolutely no difference between the Upper House and the Lower House in our Constitution and that they should be treated alike. The resolution was adopted by both Houses of Parliament and I am glad to tell hon. Members that there are now two members elected by the Madras State Assembly serving on the Public Accounts Committee, Sri P. S. Rajagopal Naidu and Sri K. S. Hegde. May I not appeal to the Hon. the Finance Minister with the support of the members of this House that the same procedure may be adopted in our State also. We have led the way in many other matters and the association of the Members of this House with the Public Accounts Committee might also be considered. I trust the Hon. the Finance Minister will lose no time and table a motion in the other House even during the present sitting and see that the Members of this House are associated with the Public Accounts Committee.

" I would also like to refer to the additional expenditure proposed on travelling allowance, etc., of Regional Transport Authorities under Grants VI—Motor Tax Administration. The Hon. Minister for Transport said in his speech while moving the grant in the other House that the Government have under consideration the reconstitution of the Regional Transport authority. In this connexion, I would like to say that it has been upheld that the right to ply buses in public pathways is a fundamental right which can be abridged only by reasonable restriction in the interests of the public. Such a right cannot be lightly interfered with by persons who are not conversant with the intricacies of law. Now that the Government have under consideration the reorganization of the Regional Transport Authorities, I would suggest whether

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we could not appoint persons with judicial qualification and necessary experience as Regional Deputy Transport Commissioners so that they might be placed in charge of three or four districts each with power to dispose of all matters relating to road transport. The Deputy Commissioners so appointed may be of the cadre of Subordinate Judges. That would be a welcome move instead of having the Road Transport Authorities as at present without any judicial members thereon to deal with such matters. In this connexion, I would like to refer to the legislation recently passed by us doing away with abolishing section 64-A of the Motor Vehicles Act. Though the President has given his assent on the 22nd January 1955 and the Act was published on 2nd February 1955, effect has not yet been given to that measure. I hope the Government will take immediate action in the matter and at least from 1st April 1955 get rid of the revisional powers in question. I refer to this because some retrenchment is possible in the concerned Secretariat, till now dealing with revision petitions under the old provisions. One or two sections with an Assistant Secretary who have been dealing with these revision petitions could safely be retrenched.

“ Sir, the hon. Member Sri Bhashyam referred to the expenditure of Rs. 7,60,000 incurred in connection with the District Board elections. I hope the Government have recovered the amount spent on these elections from the district boards. If so, I wonder why that has not been mentioned in the explanatory note on this item.”

MR. CHAIRMAN :—“ The hon. Member has only two minutes more.”

* SRI T. PURUSHOTHAM :—“ I am finishing, Sir. Under ‘ Electricity ’ we find an additional expenditure Rs. 89 lakhs provided. No one would grudge this in view of the need for rapid expansion of electricity to rural areas. Safe return on capital expenditure is assured as more and more people get electricity minded. I would like to suggest in this connexion that electricity connection should be given to all the villages on the main roads through which these lines pass. Government would get more revenue by doing so. At present this is not being done. A systematic drive in this direction is necessary. It would be desirable that the officers and subordinates of the Electricity department show greater interest and enthusiasm in this matter. Panchayats should be formed in these villages as without panchayats the department refuses to give electricity connexion. I would like to point out that there is also great delay in the formation of village panchayats even in cases where the public want them. Avadi which was the scene of our 60th Session of the Indian National Congress has not got a panchayat even though the people there have been crying hoarse ever since Village Panchayat Act was passed in the last Ministry. May I appeal to the Government to pay speedy attention to such requests from the public?

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“ Lastly in the matter of recovery of advances made to ryots for the purchase of bulls, manure, pumpsets, etc., referred to under Capital Expenditure, Grant XII, all the arrear instalments are being demanded this year. The collection of these dues was put off during drought years. To facilitate easy payment, instalments due in respect of takkavi and agricultural loans for this year alone should be collected now. The deferred instalments should be recovered at the end of the loan period. I make a special plea in this behalf in regard to Chingleput and North Arcot districts and of course other districts also where similar conditions might have prevailed because ryots are put to very great difficulty on account of accumulated demand this year. My suggestion is that one instalment may be collected now and the arrear instalments may be collected at the end of the loan period in view of the very bad predicament in which the ryots are placed. I think the Government would heed to the prayer of the agriculturists in this regard.”

MR. CHAIRMAN :—“ I think two more hon. Members have given their names to speak on the supplementary demands. As the Hon. Minister wants 20 minutes to reply, I am sorry I cannot call those hon. Members. I am sorry that time does not permit me ⁴⁻⁴⁰ to allow the two hon. Members who still remain to speak. It is now ^{p.m.} 4-40 p.m. We want to close at 5 p.m. Therefore the Hon. Minister for Finance will speak now.”

* THE HON. SRI C. SUBRAMANIAM :—“ Mr. Chairman, Sir, Dr. John criticised the supplementary budget and the amount involved in the supplementary demands. He wanted a copy of my speech introducing the supplementary demands and it has been circulated to all hon. Members. But I am afraid he has not made full use of that speech. If he goes through it fully and carefully, I am sure he will find that the net estimates for 1954-55 is 4.75 crores. Out of that, savings available would amount to Rs. 3 crores. Therefore net increase in expenditure is only Rs. 1.75 crores. Out of this he would find that Rs. 86 lakhs is due to new services and I am sure he does not suggest that during the current year, no new scheme should be taken up, after introducing the budget, even if those things were essential. He would find if only he scrutinised my speech that very many important schemes have been taken up. The real increase in the entire budget is Rs. 1 crore. The total net appropriation is Rs. 62 lakhs. If only he works out the figures, I am sure that the increase does not represent even 2 per cent. It comes to only 1.75 per cent, if I am correct. I think when we have to estimate for the entire year for all things, a marginal error of 2 per cent can be safely allowed. It has now come to only 1.75 per cent. I think we should congratulate the department for having so accurately budgeted the expenditure under the various heads under the Revenue Account.

“ With regard to the Gross Demand amounting to Rs. 17½ crores, we have got to make various adjustments. It does not really

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represent real expenditure. When we get the sanction of the Legislature for this supplementary demand, there will be recoveries available on the other side. That is why I took the example of State Trading Schemes, and illustrated by giving figures. Even though Rs. 10 crores are required for under supplementary demand, as a matter of fact we would be getting back Rs. 11 crores and as a matter of fact it is *plus* there (+). That is we get a surplus ultimately. Under the Constitution, even though monies from certain heads would be going to the Consolidated Fund, if we want to draw any amount from the Consolidated Fund, we have got to get the sanction of the Legislature. Such a sanction is absolutely necessary. In order to satisfy that constitutional provision, we have to place this supplementary demand for getting the sanction of the Legislature. That is why the floated figure of Rs. 17½ crores is put there. If we really go into the accounts, we would find that there is really nothing wrong. I think Dr. John has not perused what I have said last year when I explained at some length the procedure adopted in the preparation of budget.

“ Dr. John suggested that the supplementary demand should be placed before the Legislature even before incurring the expenditure. I am afraid it will not be practicable. If necessary we can do it. Whenever we want to incur additional expenditure, we could come before the House and present the necessary supplementary demand. But I think we would be only wasting the time of the House by adopting such a procedure. That is why in a consolidated manner, it is brought before the House during the end of the year. After all the Government is responsible for the entire expenditure and when they undertake this expenditure, they are bound to get the sanction of the Legislature and when it comes before the House. It is open to scrutiny and criticism. It is not as if there is no provision for such a thing in the Constitution. In fact the Constitution recognizes such a contingency. That is why they have provided for what is known as a ‘Contingency Fund’. We have a Contingency Fund wherein we have Rs. 75 lakhs. So much so, even without coming to the Legislature for sanction to take any amount from the Consolidated Fund, we could take the money we want from the Contingency Fund and spend it. The Constitution provides for this. Of course afterwards the approval of the House for that expenditure would be obtained and the amount taken from the Contingency Fund would be recouped by drawing from the Consolidated Fund. Therefore it is not as if we are prevented from incurring any expenditure before submitting the supplementary demand. After all what we are concerned is that things should be done properly and we should get things done. The Government are there to see to it that things are done properly and they are responsible to the House. I am sure that for all the schemes we have undertaken and for which expenditure the approval of the House is now awaited, we have not done anything wrong. We have done only the proper thing. If for every rupee of expenditure, we had to

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put in a supplementary demand and come for the approval of the House, I am afraid that there will be undue delay. That is why I say on behalf of Government that the little extra expenditure we have incurred is only for the new schemes we have undertaken in the current year, which were quite essential.

“ Dr. John referred to ‘ State trading schemes ’. I am sure the House is aware that there is now complete de-control of foodgrains. We have come to a stage wherein a stop has been put to State Trading so far as foodgrains are concerned. We are really happy over that. It was not a pleasure for Government to take up the purchasing foodgrains and distributing them. We have faced many difficulties while we were trading in foodgrains. We had to adopt that method because we had to meet a particular situation caused due to drought conditions. The scarcity of foodgrains at that time he had to be met. A suggestion was there that we could have left it to private enterprise. If only we had done so, instead of meeting the problem, the private sector would have exploited the situation to amass profit for themselves. I am sure hon. Members know how they utilise even critical situations for the purpose of making money. Private persons who had been entrusted with the work of famine relief exploited the situation and tried to make profit for themselves. Blackmarketing had become a well-known institution during and after the War. When such was the case, we could not have taken the risk of leaving it to private enterprise to meet the scarcity in foodgrains caused due to drought conditions. We did not want to take that risk. That is why the State undertook to trading in foodgrains. The State purchased the foodgrains and sold them at controlled rates. That control did serve the purpose. As soon as the purpose of that control was served, and when the scarcity of foodgrains had gone, we introduced de-control. Our State introduced de-control much earlier than other States. Of course other States followed and finally we find a state now when throughout the country there is complete de-control. And our de-control policy has proved a success.

“ The hon. Member, Dr. John, referred to the losses we have sustained in State trading. He has said how the Central Government have now suffered a loss of Rs. 45 crores by the stocking of foodgrains. What the Central Government had been able to gain by the sale of foodgrains is now not known. We only know the loss. Therefore we cannot estimate the net loss or gain now. At this stage, we cannot estimate the net profit or loss. Similar is our case. We have sustained some loss. We come to the House for approval of the increased expenditure we have incurred. The profit or loss does not come in now. Only when the accounts are settled, we would know the net profit or loss. But I am sure when the accounts are settled, we would not have incurred any huge loss on account of these State trading schemes. It was criticised that

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proper accounts are not being maintained, in respect of these State Trading Schemes. The Auditor-General audits the accounts of these State Trading Schemes. Apart from that, we are dealing in manure which is very essential for the ryots. We have to deal with the Government of India for without them we cannot get the necessary manure. The fertilisers we get from the Government of India, we actually distribute according to the circumstances prevailing in the State and according to the quantity of fertilisers available and taking into account the actual demand. Therefore we cannot avoid these transactions. These commercial undertakings were started by Government! because there was no proper agency to undertake them. Manufacture of soap, shark-liver oil and a few other undertakings are some items in which the State started its initiative. We cannot give them up now. I am sure we have not incurred any loss on account of these commercial undertakings. In fact we have made some small profit.

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p.m. “ I now come to the question of bus transport. This is another institution wherein Dr. John wants that private enterprise alone should be allowed to enter. We have taken over the bus transport so far as the City is concerned. But Dr. John wants only private interest to be there. He wants this to be handed over to the private sector. Unfortunately conditions are fast changing nowadays. Ideals and ideas are changing. It is now agreed that the public sector should play a greater part than the private sector. But Dr. John also has to change according to the times. In spite of all his property and in spite of what all he has earned, he will have to move with the times. Just as he has to refresh his knowledge of law now and then so that he may be up-to-date in the Courts of Law, so also he will have to refresh his ideas and ideals with reference to the legislature and with reference to the community. We are now in a fast-moving time. Therefore, to come now and advise the Government that the private enterprise should be given a free hand and as far as public sector is concerned, it should not come into the picture at all is, I am afraid, very much behind the time.”

DR. V. K. JOHN :—“ I am a ‘ have-not ’.”

* THE HON. SRI C. SUBRAMANIAM :—“ I do not know whether he is a ‘ have ’ or ‘ have-not ’. Whatever it is, as far as modern and recent ideas are concerned, he seems to be a ‘ have-not ’ and I do agree there.

“ Then Dr. John criticised the Government Bus Transport. I would like to know whether he had seen the conditions of the bus transport when it was in private hands. I have had experience of it. I have absolutely no doubt that there has been considerable improvement in the quality of the buses as well as the service rendered to the public. It is easy to say that private enterprise will do better. I would like the hon. Dr. John to go to any mufassal route and travel in those buses and he will find what sort of buses are being run there. Even if he happens to get into a bus in the City

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by any chance—I am sure he does not do that because he is travelling in a Buick car and so he has no experience of the buses running in the City—he will really find out the difference. Therefore, Sir, it is not a question of there being no improvement. On the other hand, there is considerable improvement in the service which is offered to the public by the Government Bus Transport. It is not a losing concern and we make money out of it. Some mention was made I think by Dr. John or by some other hon. Member as to whether the Government Bus Transport pay the taxes to the Government before calculating the profit. They do pay all the taxes which other tax-payers pay and over and above this, we are making a small profit.”

DR. V. K. JOHN :—“ What about fares? ”

* THE HON. SRI C. SUBRAMANIAM :—“ I would request the hon. Member to compare the City fares with that in Bombay, Delhi and Calcutta and he will then come to the conclusion that we are charging the lowest. After all City bus transport is different from running long-distance routes in the mufassal. Here in the City buses have to be stopped frequently and have to be restarted and so, the consumption of petrol and diesel oil is high. Wear and tare also is high. One has to take all these things into account before he says that the fares are higher. The hon. Member will find that compared to any other City we are charging the lowest fare and at the same time making a profit also.

“ As far as section 64-A of the Motor Vehicles Act is concerned we have passed the law and my colleague assures me that it will very soon be given effect to, in any event, before the Tamil New Year. Preliminary arrangements for the reorganization of the Central Road Traffic Board and also the Regional Transport Authority in the context of the annulment of section 64-A will have to be made. That is the only thing pending and as soon as a decision is taken on that, the reorganization of the Board and the district authorities will be given effect to.

“ I am glad that Dr. John is taking a very sympathetic view as far as my work is concerned and I am sure the Chief Minister will take note of the suggestions made by him and relieve me of the other responsibilities and give me only the finance portfolio. Apart from making a suggestion here, the hon. Member can even meet the Chief Minister and convince him that it is good in the interest of the Finance Minister himself and his own physical health also that he should be relieved of some of the responsibilities which he has been shouldering now.

“ With reference to sales tax, I find that some staff has been employed for the purpose of finding out evasion. That is a new work which we have taken up. Simply because there were evasions in the previous years, it is not as if we should not try to check that evasion. Therefore, we have had some additional staff, three

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Deputy Commercial Tax Officers and three Assistant Commercial Tax Officers. Now, the inter-State sales tax transactions have also come into operation and for that we have employed four Deputy Commercial Tax Officers and eight Assistant Commercial Tax Officers for dealing with various trades. I am sure when we go through the accounts of recoveries effected by these various extra staff, we will be quite satisfied that the money on these extra staff was worth spending.

“With regard to co-operation, Sri Bhashyam asked ‘what about the Gazetted Officers’. There was reorganization in the various districts. Districts were bifurcated and Deputy Registrars were put in charge of each bifurcated area. Because of the increase in the number of co-operative societies, we have to increase the number of Deputy Co-operative Registrars and that is why the extra expenditure has to be incurred.

“The various suggestions made by Sri Krishnamurthi with regard to elementary education, I am sure, will be looked into by the Committee which is going into the entire problem of elementary education. I hope the hon. Member would have made all these suggestions to the Committee also and they will certainly take note of them and make recommendations with reference to all those suggestions. When the report is available to Government, all these will be looked into and the elementary education itself will be put on a proper basis, so that there may be no waste as far as Government money is concerned. Whatever money is spent, it would be properly utilized. Then, the hon. Member referred to the single-teacher schools and the untrained personnel who have been put in charge of those schools. I do agree that untrained personnel should be avoided as far as possible. Not only in the single-teacher schools, but even in certain existing schools there are so many untrained teachers. Therefore, it is not an easy problem. I hope the Committee will tackle this problem and suggest means to get over the difficulty.

“A reference was made about members of this House also participating in the Public Accounts Committee and the Estimates Committee. I went through the Council Rules and I find that there is no particular provision for the participation of the members of this House in these Committees. If the rules are amended for this purpose and a provision is made, certainly I shall take steps to see that in the other house also the rules are suitably amended so that the members of this House may be associated with the Estimates Committee as well as the Public Accounts Committee. In the absence of a provision in the Rules, I am afraid that we cannot do anything now. (Interruption.) There has to be a provision in the Rules to enable the Members of this House to participate in those Committees. We have enumerated what all Committees should be

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constituted in our Rules and there is no provision for these Committees. I am sure that can be very easily rectified. I would be glad to have the services of very experienced members of this House on this very useful Public Accounts Committee and the new Committee which has come into existence, viz., Estimates Committee which I hope will serve a very useful purpose.

“ I am sure, Sir, with these words hon. Members would have been satisfied that what we are asking for is not permission of the House to ratify the waste we have done, but we are asking only for the ratification of the House to the useful work we have done and the money we have spent on these useful schemes.”

MR. CHAIRMAN :—“ The House will now adjourn and meet again on Saturday, the 26th March 1955 at 11 o'clock. It will be a non-official day.”

The House then adjourned.

